The information is furnished below:

Schemes	Face Value (Rs.	NAV* (as on 30-6-93)
Mastershare	10.00	39.23
Masterplus	10.00	13.31
UGS--2000	10.00	20.16
UGS— 5000	10.00	15.29
Mastergain--92	10.00	9.49

* Unaudited.

(b) and (c) The net asset value of only one of the above schemes, viz., Master-gain *92* is below its par value. This is mainly on account of the sharp decline in the Stock prices after the launch of the scheme.

Outstanding loan from Soviet Union

113. SHRI DEBABRATA BISWAS: Will the Minister of FINANCE be pleased to state:

(a) the amount of developmental loan outstanding against India from erstwhile Soviet Union; and

(b) the arrangements made for the repayment of developmental loan and the exchange system adopted between rupee and Rouble?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) India's outstanding rouble denominated debt to the former USSR, converted into rupees as per the agreement of January, 1993 was about Rs. 33256 crores as on 31.3.93.

(b) The former USSR extended to the Government of India a number of Stale credits for both defence and civilian sector projects in India. The credits cie denominated in roubles but repayment by India were to be made in rupees by means of export of Indian goods. An agreement was concluded with the Government of Russia in January, 1993 on the rupee-rouble exchange rate issue. The agreement provides for the principal amount of the rouble denominated debt as on 1-4-92 being converted from roubles to rupees using the exchange rats on 1.1.90 as determined by the old 1978 Protocol (Rouble 1 = Rs. 19.9169). The amount of the principal debt as on 1.4.92 would also be converted from roubles to rupees using the exchange rate on 1-4-92 as determined by the 1978 Protocol (Rouble 1 = Rs. 31.7514). The difference in the two amounts as calculated above would be fixed in rupees and would be rescheduled and repaid in annual instalments over a period of 45 years. This rescheduled portion would carry no interest. It will also have no protection against any fluctuation in the value of the rupee for a period of 5 years. Thereafter it will be indexed to the SDR if the average annual depreciation of the rupee exceeds 3 per cent over this 5 year period. Similar reviews will be conducts ed at the end of every 5 year period. The non-rescheduled portion of the debt will be the amount in rupees corresponding to the conversion of the rouble debt at the exchange rate as on 1.1.90. This amount would henceforth be denominated in rupee and repayments of the principal and interest on this portion of the debt

would be effected by India in accordance with the schedule inforce for each of the relevant inter-Governmental credit agreements. The rupee payments in respect of principal and interest of this non-rescheduled portion of the debt would however, be protected by adjusting the rupee amount in line with future changes in the rupee value of the SDR basket of 5 currencies. The existing arrangement of using the credit repayments for export of Indian goods and services to Russia will continue?

Setting up of new banks in private sector

114. MISS SAROJ KHAPARDE:

SHRI ASHIS SEN:

Will the Minister of FINANCE be pleased to state:

(a) whether guidelines for the setting up of new private sector banks were issued during this year;

(b) if so, what are the details thereof;

(c) the number of proposals received so far by the Reserve Bank of India in the matter;

(d) the number of proposals cleared so far by the R.B.I.; and

(e) what are the reasons for non-clearing the remaining proposals and by when these will be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, Sir.

(b) The details of guidelines on entry of private sector banks are enclosed in the Statement *(See* below).

(c) Reserve Bank of India had received as on 30th June, 1993, 137 requests for setting up new banks.

(d) Reserve Bank of India have so far given 'in principle', approval to the; Housing Development Finance Corporation Ltd. and Unit Trust of India to start new banks in the country.

(e) Out of 137 requests, only 11 were in the prescribed application form. Some of these were also deficient in many respects. RBI have, therefore, to, correspond with the applicants for obtaining requisite information. In the light of the above, no time frame can be indicated for clearing these applications.

Statement

Guidelines on entry of new private sector banks

(a) Such a bank shall be registered as a public limited company under the Companies Act, 1956.

(b) The RBI may, on merits, gran*t* a licence under the Banking Regulation Act, 1949 for such a bank. The bank may also be included in the Second Schedule of the Reserve Bank of India Act, 1934 at the appropriate time. The decision of the RBI in these matters shall be final.

(c) The bank will be governed by the provisions of the Banking Regulation Act. 1949 in regard to its authorised, subscribed and paid-up capital. The minimum paid-up capital for such a bank shall be Rs. 100 crores. The promoters' contribution for such a bank shall be determined by the RBI and will also be subject to other applicable regulations.

(d) The shares of the bank should be listed on stock exchanges.

(e) To avoid concentration of the headquaters of new banks in metropolitan cities and other overbanked areas, while granting a licence preference may be given to those the headquaters of which are proposed to be located in a centre which does not have the headquarters of any other bank.

(f) Voting rights of an individual shareholder shall be governed by the ceiling of I per cent of the total voting rights as stipulated by Section 12(2) of the Banking Regulation Act. However, exemption from this ceiling may be granted under Section 53 of the said Act. to public financial institutions.